## STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

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IN THE MATTER OF: DANCO PLASTICS, INC. and	)	
DANNY W. DAVIS, their partners, officers	)	NO 0600265
and directors, agents, employees, affiliates, successors and assigns.	)	
	,	

## **TEMPORARY ORDER OF PROHIBITION**

TO RESPONDENTS:

Danco Plastics, Inc. 3110 Crosby Street Rockford, Illinois 61108

And

Danny W. Davis 3110 Crosby Street Rockford, Illinois 61108

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

- 1. That Respondent Danny W. Davis (hereinafter "Davis" or together with Danco, "Respondents") has a last known address of 3110 Crosby Street, Rockford, Illinois 61108.
- 2. That Respondent Danco Plastics, Inc. (hereinafter "Danco" or together with Davis "Respondents") at all times relevant to this Temporary Order of Prohibition was an Illinois corporation with a last known address of 3110 Crosby, Rockford, Illinois 61108.
- 3. That at all times relevant Respondent Davis was the sole Director and the President of Respondent Danco.
- 4. That Danco was in the business of producing and selling devices to be used as pie and cake moisturizers.

5. That between July 2002 and November 2002 Davis solicited Illinois residents ("Investors") to purchase stock in Danco, including one investor who paid \$3000 to purchase four shares of Danco stock.

## **FAILURE TO REGISTER SECURITIES**

- 6. That Respondents never registered the Danco stock with the Illinois Securities Department.
- 7. That the activities in paragraph 5 constitute the offer and sale of stock and are therefore a security as those terms are defined in Section 2.1, 2.5 and 2.5a of the Illinois Securities Act of 1953 [815 ILCS 5] (the "Act").
- 8. That Section 5 of the Act provides, *inter alia*, that "all securities except those set forth under Section 2a of this Act...or those exempt...shall be registered ...prior to their offer or sale in this State."
- 9. That Respondents failed to file an application with the Secretary of State to register the stock as required by the Act, and as a result the Danco stock was not registered as such prior to their offer or sale in the State of Illinois.
- 10. That Section 12.A of the Act provides, *inter alia*, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 11. That Section 12.D of the Act provides, *inter alia*, that it shall be a violation for any person "to fail to file with the Secretary of State any application, report or document, required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act."
- 12. That by virtue of the foregoing Respondents violated Sections 12.A and 12.D of the Act.
- 13. That the aforementioned findings are based upon credible evidence.
- 14. That Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the rendering of investment advice or the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
- 15. That the entry of this Temporary Order of Prohibition prohibiting Respondents, and their partners, officers and directors, agents, employees, affiliates, successors and assigns, from rendering investment advice or from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Danny W. Davis and Danco Plastics**, **Inc.** and their partners, officers and directors, agents, employees, affiliates, successors and assigns, are temporarily **PROHIBITED** from offering or selling securities in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for sixty (60) days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This 24 day of October 2007.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State: James J. Tierney Illinois Securities Department 69 West Washington Street Chicago, Illinois 60602 312-793-9650